

## **American Corn Growers Association**

P.O. Box 18157 • Washington, DC 20036 • 202-835-0330 • Fax: 202-429-3741

## **Testimony of**

## Sam Darwin Member, Board of Directors American Corn Growers Association

## **Before the**

House Government Reform and Oversight Committee

Subcommittee on National Economic Growth, Natural Resources and Regulatory Affairs

**April 23, 1998** 

Chairman David McIntosh

Mr. Chairman and members of the Subcommittee, I'm Sam Darwin, a corn popcorn, wheat and soybean farmer from Huntsville, Alabama and a member of the Board of Directors of the American Corn Growers Association. I am here today as a farmer to express my deep reservations over the proposed United Nations Global Climate Change Treaty and its effect on production agriculture.

I'm a **fifth** generation farmer, with my **farm** dating back to 18 14. It's a family operation with my wife, son, daughter, son-in-law and daughter-in-law all sharing in the responsibilities of the farm. I farm approximately 3000 acres with 350 going into cotton, around 1000 going into corn and popcorn, and 1400 going into wheat to be double cropped with soybeans **after** wheat harvest. The remainder is planted to soybeans. In my area this **farm** is a little larger than average, but it needs to be to feed multiple families like it does

I'm concerned about the Global Climate Change Treaty because the United Nation's own scientific panel states that agriculture is to blame for 20 percent of human-induced greenhouse gas emissions. In response to this, they have suggested that there should be considerations given to mandating limits on certain farming practices. These include limits on diesel fuel use, restrictions on tillage, limits on methane emissions from animal waste and restrictions on fertilizer, transportation and agricultural processing.

According to a study commissioned by the nationally respected Sparks Company, net farm income would drop by 46 percent if this treaty is implemented. This study also shows a 8.5 percent increase in cost of production, a 6 percent decrease in exports, a 33 percent increase in gasoline costs, a 130 percent increase in natural gas costs, a 500 percent increase in coal costs and a \$17.4 billion increase in consumers cost of food. All these increased costs are totally unacceptable to production agriculture and would result in economic hardships on my fellow farmers and ranchers and our surrounding rural communities. By adding close to \$.50 per gallon to the cost of diesel fuel and substantially higher prices on our electric rates, I would have to pay thousands more in production costs, eventually driving me out of business. In fact, diesel fuel alone would cost me over \$20,000 per year more under this treaty, and that could be the difference between profit and loss for my farm.

We live in a global economy. Much of what my farm produces is exported. With this in mind, agriculture has worked towards fair trade policies that level the playing field between the highly subsidized agricultural sector in other parts of the world and U.S. farm policy. Under the Global Climate Change Treaty, 132 so-called "developing" countries are exempt from the same tough, mandatory emissions standards facing the U.S. Many of these countries, including South Korea, China, India, Brazil, Argentina, and Mexico are direct competitors of ours. How can I compete when my production and financial hands are tied while other countries are **free** to plant and harvest all they can without any impediments and emission restrictions? The bottom line is that I can't compete when my own government stacks the deck against me and gives my business to other countries.

This treaty is flawed and unworkable unless every country plays by the same rules and regulations.

Agriculture is hard pressed. Prices for corn, soybeans, wheat, cattle and hog are falling while production costs continue to rise. The Global Climate Change Treaty will only make the situation worse. Someone will have to pay the higher prices for our diesel **fuel**, fertilizers, herbicides and electricity. And I'm afraid that someone will be me, and I simply can't **afford** it.

I'm proud to be a part of an Association that has shown so much leadership on this issue. I am also proud that we have been joined by many of the major farm organizations in our efforts to point out the numerous problems that production agriculture has with this treaty. We respectfully request that Congress think long and hard before endorsing this treaty as drafted. I'm afraid to think about what could happen to me and my family if the Global Climate Change Treaty were to be ratified as it's been proposed. This policy will make it increasing difficult for me to afford to grow the crops and hope to show some profit by the end of the year.

We have tough decisions to make concerning our environment. Agriculture doesn't ignore the possible problems associated with global warming. However, much more scientific study needs to be completed and the treaty effects on industry needs to be examined before we give our trading competitors the key to our markets and bring about higher food prices for American consumers. I ask that you analyze this treaty and take as much time as possible to view it's effects upon agriculture. After all, driving me out of business is not the answer to cleaning up our environment.

Thank you for allowing me to **testify** and I would be happy to answer any questions at this time.